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DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34728]

Marquette Rail, LLC—Lease and Operation Exemption—CSX Transportation, Inc.

Marquette Rail, LLC (MQT), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to lease, from CSX Transportation, Inc. (CSXT), and operate approximately 129.03 miles of rail line extending between: (a) milepost CGE 3.6 at the Grand Rapids, MI station and milepost CGE 73.71 at the Baldwin, MI station; (b) milepost CB 106.91 at the Baldwin station and milepost CB 136.5 at the Ludington, MI station; (c) milepost CBA 87.0 at the Walhalla, MI station and milepost CBA 113.7 at the Manistee, MI station; and (d) milepost CBA 113.7 at the Manistee station and the end of track at Filer City, MI (the Filer City Spur, approximately 2.63 miles in length).

MQT certifies that its projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier. However, because its projected annual revenues may exceed \$5 million, MQT also certifies that it has complied with the posting and service requirements of 49 CFR 1150.32(e). The transaction was scheduled to be consummated on or after October 14, 2005.

¹ MQT states that at the time the labor notice was given, MQT planned to purchase the track and other rail improvements and to lease the underlying right-of-way. However, MQT will instead be leasing on a long-term basis both the track and other rail improvements and the underlying right-of-way. In addition, the labor notice also (Continued . . .)

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34728, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Eric M. Hocky, Gollatz, Griffin & Ewing, P.C., Four Penn Center, Suite 200, 1600 John F. Kennedy Blvd., Philadelphia, PA 19103-2808.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: October 21, 2005.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary

(Continued . . .)

indicated that the milepost at Baldwin in segment (b) was CB 107.0. MQT has been advised by CSXT that, while milepost CB 107.0 is used to signify Baldwin for operating purposes, the actual milepost is CB 106.91. Therefore, MQT and CSXT have amended all of their agreements to reflect the milepost for Baldwin as CB 106.91. Also, in the labor notice, the milepost at Baldwin in segment (a) was incorrectly listed as CGE 73.4 instead of CGE 73.71. Finally, the total mileage is accordingly approximately 129.03 not 128.63 as stated in the labor notice. However, under the revised lease arrangements and milepost changes, no additional CSXT employees will be affected, MQT will still be responsible for all operations and maintenance and the change will not affect the number of positions that MQT anticipates will be available.